

**FEDERAL TRADE COMMISSION
Office of Inspector General**



**INTRODUCTION TO
THE OFFICE OF INSPECTOR GENERAL**

JULY 2005

THE OFFICE OF INSPECTOR GENERAL

The FTC's Office of Inspector General (OIG) was established in 1989 as required by the Inspector General Act Amendments of 1988 (5 U.S.C. app.).

Under the Inspector General Act, the OIG is responsible for conducting audits and investigations relating to the programs and operation of the FTC. Audits are conducted for the purpose of finding and preventing fraud, waste and abuse and to promote economy, efficiency and effectiveness within the agency. OIG investigations seek out facts related to allegations of wrongdoing on the part of FTC employees and individuals or entities having contracts with or obtaining benefits from the agency.

The Inspector General Act provides that the OIG shall have access to all agency records and may subpoena records from entities outside of the agency in connection with an audit or investigation.

The OIG is required by law to prepare a semiannual report summarizing its audits and investigations during the immediately preceding six-month period. The report is sent to the FTC Chairman, the President of the Senate, the Speaker of the House, and FTC's appropriating and authorizing committees. This dual reporting requirement facilitates and ensures the independence of the Office.

CONTACTING THE OIG

FTC employees and the public may contact the OIG regarding suspected incidents of fraud, waste, abuse or wrongdoing as follows:

Main telephone number: (202) 326-2800
Principal investigator: (202) 326-2618
FAX: (202) 326-2034
E-mail addresses: chogue@ftc.gov
or zlubarovwalton@ftc.gov

Federal Trade Commission
Office of Inspector General
600 Pennsylvania Avenue, N.W.; NJ-1110
Washington, D.C. 20580

The identity of an FTC employee who reports waste or wrongdoing to the OIG will be protected from disclosure consistent with provisions of the Inspector General Act. In addition, the Inspector General Act and the Whistleblower Protection Act prohibit reprisals against employees for complaining to or cooperating with the OIG.

OIG INVESTIGATIONS

The OIG conducts investigations to establish the facts relating to an allegation of wrongdoing. OIG investigations address administrative, civil and criminal violations of laws and regulations.

An employee who is the subject of an OIG investigation is afforded his or her rights regarding representation and self incrimination. In addition, all OIG investigations are conducted in accordance with "Quality Standards for Investigations," published by the Executive Council on Integrity and Efficiency.

The subject of an OIG investigation can be any agency employee, an FTC contractor, consultant or a person or entity involved in alleged wrongdoing affecting FTC programs and operations.

FTC employees have a duty to cooperate with the OIG and must respond to questions posed by an OIG investigator unless they have been advised that they are the subject of a criminal investigation. Intentional falsification or concealment of a material fact in connection with an OIG investigation could constitute a violation of law and the Commission's Standards of Conduct and result in disciplinary action or criminal prosecution.

At the conclusion of an OIG investigation, the OIG investigator prepares a report that sets forth the allegations and an objective description of the facts developed during the investigation. The investigative report does not include recommendations. The OIG refers investigative reports that identify criminal activity or fraud to the Department of Justice for possible prosecution or recovery of monetary damages and penalties. If administrative misconduct is found, the OIG forwards the report to the appropriate management official for consideration of disciplinary action. OIG investigative reports are not public documents and are not available on the OIG website.

OIG AUDITS

The OIG initiates audits based on a number of considerations, including legal and regulatory requirements, materiality of the activity or function at issue, suggestions from FTC staff and complaints from the public regarding agency programs or activities. All OIG audits are conducted in accordance with standards issued by the Government Accountability Office.

During the performance of an audit, apparent weaknesses in internal controls and other potential findings are discussed with agency management to ensure that the findings are accurate and to facilitate immediate corrective action. At the conclusion of the audit, management is given the opportunity to review and comment on audit findings and recommendations. Management's comments are appended to the audit report.

Final audit reports are generally provided to the Commission, management officials responsible for implementing the audit recommendations and to the agency's Executive Director. Audit reports are public documents and are available on the OIG's website and upon request.

THE OIG WEBSITE

Information about the FTC OIG is available through the FTC intranet and at www.ftc.gov/oig.

A visitor to the OIG home page can download OIG Semiannual Reports to Congress, Annual Agency Financial Statement Reports as well as other audits and reviews issued by the OIG since 1999.